VZCZCXRO1557 OO RUEHAG RUEHBC RUEHDE RUEHKUK DE RUEHLB #2768/01 2371716 ZNY CCCCC ZZH O 251716Z AUG 06 FM AMEMBASSY BEIRUT TO RUEHC/SECSTATE WASHDC IMMEDIATE 5260 INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY RUEHNO/USMISSION USNATO PRIORITY 0171 RHEHNSC/NSC WASHDC PRIORITY RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 BEIRUT 002768

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NSC FOR ABRAMS/DORAN/SINGH/HARDING

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TAGS: <u>IS LE MOPS PGOV PREL PTER SY</u>
SUBJECT: LEBANON: FM SALLOUKH SEES OPENING FOR REGIONAL

PEACE TALKS

REF: SECSTATE 139905

Classified By: Ambassador Jeffrey Feltman. Reason: Section 1.4 (b).

SUMMARY

11. (C/NF) The Ambassador delivered on August 25 the Department's demarche on the upcoming Stockholm Conference to Foreign Minister Salloukh. FM Salloukh stated that Prime Minister Fouad Siniora will lead the delegation and his office was presently formulating a list of assistance priorities. Salloukh indicated this list would be made available to the donor community before the conference convenes. The Foreign Minister also discussed the upcoming UN General Assembly meeting and said that President Emile Lahoud will head Lebanon's delegation to New York, along with the Foreign Minister. Prime Minister Siniora may also attend, possibly with other Ministers, depending on whether side meetings would be held on other significant issues. Similar to the position taken by PM Siniora in other fora, FM Salloukh called upon the U.S. to convince Israel to lift the "punishing" air and sea blockade of Lebanon. FM Salloukh expansively discussed the possibility to press for a comprehensive peace agreement that would involve all regional powers. End summary.

DEMARCHE DELIVERED

- 12. (C/NF) Foreign Minister Fawzi Salloukh met with the Ambassador and poloff at the foreign ministry on August 25. He responded to the talking points on the Stockholm Conference by noting that the Office of the Prime Minister was presently engaged in drafting a list of prioritized projects for the international donor community. Salloukh said that PM Siniora would personally lead the delegation to Stockholm and would most likely be accompanied by himself as Foreign Minister, Minister of Economy and Trade Sami Haddad, Minister of Social Development Nayla Mouawad, and Minister of Health Mohammad Khalifeh. He indicated the delegation would be considerably empowered by the unanimous support of the Council of Ministers.
- (C/NF) FM Salloukh acknowledged that the Government of Lebanon needed to do a far better job in clearly defining its needs for the international community and then prioritizing them. He admitted that, as in so many issues, the Government was thinly staffed in these areas and the resulting lack of clear guidance would soon hinder the critical reconstruction effort. Salloukh said one way the GOL was handling the enormous scale of the effort was by

asking international donors to "adopt" projects, and even whole villages, and then manage the projects themselves. But he acknowledged that greater GOL guidance was essential and agreed that an "Office of Reconstruction" should be established in the Office of the Prime Minister to serve as an effective focal point for both international organizations and donor countries.

14. (C/NF) The Foreign Minister listened carefully to the Ambassador's outline of the President's proposed USD 230 million assistance package, and in particular asked questions about the USD 72 million component dedicated for improvement of Lebanon's security services. Salloukh asked whether advanced scanners used for border checkpoints would be part of the package.

MOVING TOWARD SECURE BORDERS

- ¶5. (C/NF) When FM Salloukh urged the U.S. to use its influence to convince Israel to lift immediately the "punishing" air and sea blockade, the Ambassador inquired what the Government was doing to strengthen its borders in accordance with UNSCR 1701. Salloukh admitted that much needed to be done (and disingenuously added that Syria also wanted stronger borders to prevent undefined smuggling activity from Lebanon into Syria), but insisted that Lebanon's sovereignty had to be maintained in the process.
- 16. (C/NF) Salloukh said that Defense Minister Elias Murr and Interior Minister Ahmad Fatfat had briefed the Council of Ministers Thursday night on what steps had already been taken and what still needed to be done. Without getting into actual deployment specifics, Salloukh maintained that the LAF

BEIRUT 00002768 002 OF 002

has assigned an additional 7,600 troops to the Syrian-Lebanee border areas. (Note: Recent Embassy Beirut DAO conversations with senior LAF commanders indicate there has been a concerted effort to bolster border troop levels over the past week, but at lower numbers than those quoted by FM Salloukh. End note.)

17. (C/NF) Sallaoukh also confirmed reports that PM Siniora has held detailed discussions with a team from the German government on the deployment of a "highly sophisticated" network of surveillance sensors, as well as a training package, that if properly implemented would provide a high level of confidence that the country's border with Syria were being properly monitored. FM Salloukh would not give a timetable for the installation of such a system, but did indicate the seriousness of the proposal by revealing that PM Siniora had discussed it personally with German Chancellor Angela Merkel.

LAF'S MISSION IN SOUTH LEBANON

- 18. (C/NF) When queried on the actual objectives of the LAF as they deployed to the south, FM Salloukh stated that although the LAF are regarded as "brothers" by Hizballah, the army was acting under orders to confiscate any weapons that were "found." When asked whether the army, if they encountered an attempted shipment, would stop and seize the shipment, Salloukh responded emphatically with a straight face, "but of course."
- 19. (C/NF) FM Salloukh said that if the Government (with presumed German assistance) could establish an effective, modern surveillance system on the border, the LAF would utilize its full capability. He then unexpectedly went further and insisted, without amplification, that it was in the Syrian government's "interest" to allow the establishment of a secure border.

- 110. (C/NF) Responding to a question on whether an opportunity was being created by the emerging LAF/IDF coordination process in Naqoura, FM Siniora expanded the issue considerably by suggesting that the recent round of hostilities may have created an opening for a genuine effort to reach a comprehensive solution of most of the region's long-standing issues.
- 111. (C/NF) FM Salloukh energetically argued that Israel must now understand the centrality of Palestinian aspirations for statehood. Insisting that it was not only an issue that could no longer be ignored, he argued that a just resolution would unravel the decades-old animosity between Israel and the Arab world. He stated that at the recent Arab League meeting in Cairo both he and Arab League Secretary General Amr Mousa discussed the opportunity at length and intended to bring a new proposal to the attention of UN Secretary General Kofi Annan as soon as possible. He reasoned, "Not only is our (Lebanon's) problem derived from the plight of the Palestinians, but so is almost every problem in the Middle East," and then confided, "we're not going to liberate Jerusalem, but we must give the Palestinians their own state." FELTMAN